

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK

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In re:

MONICA B. HANLEY  
& KEVIN T. HANLEY,

Chapter 7  
Case No. 8-17-72008-ast

Debtors.

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**ORDER DIRECTING DEBTORS TO SHOW CAUSE  
WHY THEIR DISCHARGE SHOULD NOT BE DENIED**

On April 4, 2017, Monica B. Hanley and Kevin T. Hanley, (“Debtors”), filed a voluntary petition for relief under chapter 7 of title 11 of the United States Code (the “Bankruptcy Code”). At the time of the petition, Debtors were represented by Lisa Wallace, Esq. Marc A Pergament was duly appointed the chapter 7 Trustee (the “First Trustee”).

On June 22, 2017, the First Trustee filed a motion seeking an order to extend his time to object to Debtors’ discharge under 11 U.S.C. § 727 through October 31, 2017; compelling Debtors pursuant to §§ 105 and 521 to provide the First Trustee with information and documents as set forth in a letter sent to Debtors by the First Trustee on May 22, 2017; and compelling Debtors to cooperate with the First Trustee’s real estate broker (the “Motion to Compel”). [dkt item 16]

On July 13, 2017, Debtors filed a motion to substitute Jonathan Roman, Esq., (“Debtors’ Counsel”), for attorney Lisa Wallace, Esq. [dkt item 21]

On July 25, 2017, the Court held a hearing on the Motion to Compel, at which the First Trustee appeared, but Debtors nor their counsel appeared.

On August 2, 2017, the Court entered an Order, extending the First Trustee’s time to object to Debtors’ discharge through October 31, 2017, directing Debtors to cooperate with the

First Trustee and his real estate broker, directing Debtors to provide the First Trustee with certain information and documents by no later than August 15, 2017, and setting a compliance hearing for September 12, 2017 (the “Order to Compel”). [dkt item 22]

On September 12, 2017, the Court held a compliance hearing, at which counsel for the First Trustee appeared and the Court adjourned the compliance hearing to October 3, 2017.

On September 14, 2017, the First Trustee filed a letter addressed to the Office of the United States Trustee, requesting that the case be re-assigned based upon a conflict of interest. [dkt item 27]

On September 15, 2017, the Office of the United States Trustee filed a Notice of Appointment of Successor Chapter 7 Trustee, appointing Andrew M. Thaler as the successor Chapter 7 Trustee (the “Trustee”) and scheduling the 341 meeting of creditors for October 25, 2017. [dkt item 28]

The Court held an adjourned compliance hearing on October 3, 2017, and a further adjourned compliance hearing on October 31, 2017, at which Debtors failed to appear and counsel for the Trustee appeared and represented that Debtors have failed to fully comply with the Court’s Order to Compel and did not appear for the scheduled 341 meeting of creditors.

On November 8, 2017, the Court entered a post-compliance hearing Order, extending the Trustee’s time to object to Debtors’ discharge through December 29, 2017, directing Debtors to provide the Trustee with certain documents by no later than November 20, 2017, directing Debtors to appear for a 341 meeting on November 29, 2017, and scheduling a compliance hearing for December 12, 2017 (the “Post-Compliance Order”). [dkt item 33]

On December 8, 2017, the Trustee filed a status letter, stating, among other things, that Debtors have failed to fully comply with the Post-Compliance Order and that Debtors failed to appear at the 341 meeting scheduled for November 29, 2017. [dkt item 36]

On December 12, 2017, the Court held a compliance hearing, at which counsel for the Trustee appeared but Debtors and Debtors' Counsel failed to appear. The Court found that Debtors failed to comply with the Post-Compliance Order.

After due deliberation and cause shown, it is hereby


**ORDERED**, that Debtors and Debtors' Counsel shall appear before the Court in Courtroom 760, United States Bankruptcy Court, Eastern District of New York, 290 Federal Plaza, Central Islip, New York 11722 on **January 23, 2018 at 10:30 am**, to show cause why the Court should not enter an order denying Debtors their discharge; and it is further

**ORDERED**, that any responses to this Order shall be filed by no later than **January 16, 2018**; and it is further

**ORDERED**, that the Clerk of the Court give notice of this Order to the Debtors, the Trustee, the United States Trustee, and all creditors and parties in interest.

**Dated: December 28, 2017**  
**Central Islip, New York**



  
**Alan S. Trust**  
**United States Bankruptcy Judge**